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## BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS
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AZ CORP COMMISSEA DOCUMENT CONTROL

IN THE MATTER OF THE APPLICATION OF PALO VERDE UTILITIES COMPANY FOR AN EXTENSION OF ITS EXISTING CERTIFICATE OF CONVENIENCE AND NECESSITY.

DOCKET NO. SW-03575A-03-0167

IN THE MATTER OF THE APPLICATION OF SANTA CRUZ WATER COMPANY FOR AN EXTENSION OF ITS EXISTING CERTIFICATE AND NECESSITY.

DOCKET NO. W-03576A-03-0167

STAFF'S MOTION TO DENY JOINT APPLICANTION TO INTERVENE

The Utilities Division Staff ("Staff") of the Arizona Corporation Commission ("Commission") now comes and respectfully requests denial of the Joint Application to Intervene in the above-captioned matter.

On July 10, 2003, HAM Maricopa, LLC ("HAM"); Desert Cedars Equities, LLC ("DEP"); and Land Solutions Maricopa, LLC ("Land Solutions") (collectively "the Applicants") filed a joint request to intervene in the above-captioned Certificate of Convenience and Necessity ("CC&N") extension dockets. Staff objects to this request, the Applicants have not made a satisfactory showing that they qualify to intervene under Arizona Administrative Code ("AAC") Rule 14-3-105. Thus, Staff moves for denial of the Joint Application to Intervene.

AAC Rule 14-3-105 (A) requires a showing by the requesting persons that they are **directly** and **substantially** affected by the proceedings. The proceedings in this matter are to determine if Palo Verde Utilities Company, L.L.C.'s ("Palo Verde") and Santa Cruz Water Company, L.L.C.'s ("Santa Cruz") (collectively "the Utilities") current CC&Ns should be extended to serve the specific requested area described in their extension applications. The current Applicants have a purely speculative interest in the pending CC&N extension applications. As they state in their application, they are not contiguous to the proposed extension area at issue in these dockets. Rather, the Applicants rely on their connection to intervenors Kent Hogan and Brent D. Butcher. While the Applicants indicate that Hogan and Butcher's intervention status has caused them to automatically

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become part of the extension area under consideration in the above captioned matter, this statement misstates the Intervention Rule by characterizing the privilege of intervention as a way to amend the Utilities' applications. There is simply nothing currently in these dockets to suggest that the specified proposed extension areas under consideration have been amended to include Hogan or Butcher.

In order for Hogan and Butcher to become part of the actual CC&N service areas of Palo Verde and Santa Cruz, another application to extend the certificated areas (or a formal amendment to the current applications) would need to be initiated by the Utilities. Likewise, the Utilities could initiate an application that specifically includes HAM, DCP, and Land Solutions described areas. Staff submits that the appropriate way for the Applicants to receive service from Palo Verde and Santa Cruz is to request the Utilities apply to extend their certificated areas to include them.

While Staff appreciates the difficulties endured by the Applicants as described in their motion and does not intend to discourage the Applicants' pursuant for service, Staff submits the Applicants have not made a showing that they are directly and substantially affected by the proposed extension of certificates to which they are not even contiguous.

Thus, Staff requests that this Joint Application be denied. To do otherwise would unduly expand the issues in these dockets and, if such occurred, it could offend due process to others possibly similarly situated as HAM, DCP, and Land Solutions. Furthermore, allowing the Applicants to intervene for their stated purpose of being included in the proposed extended certificated area within these dockets would allow the Applicants and the Utilities to circumvent the CC&N process.

For all the forgoing reasons, the Applicants' Joint Motion to Intervene should be denied.

RESPECTFULLY SUBMITTED this 15th day of July, 2003.

Lisa A. VandenBerg

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were filed this 15<sup>th</sup> day of July,

AN ORIGINAL and fifteen (15) copies

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